

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF WISCONSIN  
AT LAW AND IN ADMIRALTY

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UNITED STATES OF AMERICA,

Plaintiff,

v.

Case No.

APPROXIMATELY \$515,330.76 IN UNITED  
STATES CURRENCY FROM BANK OF  
AMERICA ACCOUNT ENDING IN 7657,

Defendant.

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**VERIFIED COMPLAINT FOR CIVIL FORFEITURE IN REM**

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The United States of America, by its attorneys, Matthew D. Krueger, United States Attorney for the Eastern District of Wisconsin, and Scott J. Campbell, Assistant United States Attorney for this district, alleges the following in accordance with Supplemental Rule G(2) of the Federal Rules of Civil Procedure:

**Nature of the Action**

1. This is a civil action to forfeit property to the United States of America, under Title 18, United States Code, Sections 981(a)(1)(C) and 984, for violations of Title 18, United States Code, Section 1343.

**The Defendant In Rem**

2. The defendant approximately \$515,330.76 in United States currency was seized on or about February 1, 2019, when the United States Secret Service received a check in that amount from Bank of America, following the Secret Service's execution of seizure warrant #19-806M, on the bank account held in Oceanside, California.

3. United States Magistrate Judge Nancy Joseph of the Eastern District of Wisconsin had issued that warrant on or about February 5, 2019. The warrant authorized the seizure of up to \$932,611.56 in funds on deposit in Bank of America account ending in 7657 and held in the name of Holie Houghtaling.

4. The defendant property was seized in San Antonio, Texas, and is presently in the custody of the United States Secret Service, Treasury Forfeiture Fund, held in Washington, D.C.

### **Jurisdiction and Venue**

5. This Court has subject matter jurisdiction over an action commenced by the United States under 28 U.S.C. § 1345, and over an action for forfeiture under 28 U.S.C. § 1355(a).

6. This Court has *in rem* jurisdiction over the defendant property under 28 U.S.C. § 1355(b).

7. Venue is proper in this district under 28 U.S.C. § 1355(b)(1) because the acts or omissions giving rise to the forfeiture occurred, in part, in this district.

### **Basis for Forfeiture**

8. The defendant property is subject to forfeiture under Title 18, United States Code, Sections 981(a)(1)(C) and 984, because it consists of, or is traceable to, proceeds of “specified unlawful activity” – as defined in Title 18, United States Code, Section 1956(c)(7), with reference to Title 18, United States Code, Section 1961(1) – namely, wire fraud, committed in violation of Title 18, United States Code, Section 1343.

### **Facts**

#### **Background**

9. According to a March 2013 publication of the U.S. Federal Trade Commission, consumers lose hundreds of millions of dollars annually to cross-border financial crimes. Some

of the most common cross-border financial schemes originate in West African nations such as Nigeria. Law enforcement agencies therefore sometimes refer to such schemes as “West African fraud schemes.”

10. One common West African fraud scheme is the business email compromise fraud scam, where a fraudster gains unauthorized access to, or spoofs, the email address of a victim and instructs the victim’s financial institution to wire money to a bank account controlled by the fraudster or his associates.

11. Foreign perpetrators of such scams sometimes recruit witting or unwitting persons within the United States to open bank accounts that the foreign perpetrators use to receive proceeds of the scam. The foreign perpetrators often target persons within the United States who are seeking companionship or are otherwise mentally or emotionally vulnerable, to open such accounts at financial institutions within the United States. Sometimes those accounts are opened by a victim of a romance scam.

#### **Opening of Bank of America account ending in 7657**

12. Bank of America account ending in 7657 (“BOA 7657”) was opened on or about July 21, 2003, in New York, New York.

13. The sole account holder of BOA 7657 is Holie Houghtaling, 38XX Vista Campana S, Unit XX, Oceanside, California 92057.

#### **January 24, 2019, through January 28, 2019, ACH wire transfers totaling \$932,611.56 in fraud proceeds into BOA 7657**

14. On January 24, 2019, victim corporation W.E.G.,<sup>1</sup> headquartered in the Eastern District of Wisconsin, was informed through its third-party payment processing company, T.,

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<sup>1</sup> All victims and innocent parties are identified herein by initials only.

that there were new instructions to send ACH payments to O.B.G.,<sup>2</sup> an environmental science and engineering consulting firm located in Syracuse, New York, for services that O.B.G. provided to W.E.G. and its subsidiaries.

15. Also on January 24, 2019, O.B.G. sent a request to W.E.G. to accelerate payment of all pending invoices from O.B.G. with the offer of a discounted amount if all invoices were paid early.

16. In response to this incentive, on January 24, 2019, W.E.G.'s third-party payment service, T., drafted and processed through US Bank all pending ACH payments from W.E.G., and its subsidiaries, to O.B.G.

17. On January 24, 2019, T. completed, on behalf of various W.E.G. subsidiaries, a total of six ACH payments to O.B.G., which totaled \$932,611.56, as follows:

- A. \$138,725.92 payment from W.B.S.,
- B. \$7,367.67 payment from W.E.,
- C. \$60,419.44 payment from W.P.S.C.,
- D. \$42,207.50 payment from N.S.G.C.,
- E. \$492,617.18 payment from M.E.R.C., and
- F. \$191,273.85 payment from P.G.L.C.C.

18. On January 28, 2019, all ACH payments from W.E.G. were posted into BOA 7657, held in the name of Holie Houghtaling.

19. After all six ACH payments had been completed, W.E.G. was informed that (a) there had been an unauthorized intrusion into an email account at O.B.G.'s finance department, and (b) the compromised email account was then used by unknown actors to change routing and account numbers – to be used by W.E.G. for the payment of services provided by

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<sup>2</sup> An ACH payment is an electronic, automatic transfer of payments between banks.

O.B.G. to W.E.G. – from the current banking information on file to the routing and account information of BOA 7657, the personal account held in the name of Holie Houghtaling of Oceanside, California.

20. On January 29, 2019, W.E.G., with the assistance of US Bank, attempted to recall the six ACH payments processed from January 24, 2019, through January 28, 2019, however Bank of America responded to the recall request stating that BOA 7657 had insufficient funds to return the payments totaling \$932,611.56.

21. W.E.G. was the victim of a business email compromise fraud scam.

22. The \$932,611.56 that various W.E.G. subsidiaries wire transferred to BOA 7657 on January 24, 2019, constituted proceeds of that fraud scam.

23. The defendant property consists of, or is traceable to, the W.E.G. subsidiaries' January 24, 2019 wire transfers totaling \$932,611.56 to BOA 7657.

### **Investigation into Holie Houghtaling**

24. W.E.G. has never had any business relationship with, and has no employment records regarding, any individual named Holie Houghtaling.

25. Holie Houghtaling was never associated with O.B.G. or any of its subsidiaries, was never a contract employee of O.B.G. or any of its subsidiaries, and was never authorized to collect payments from clients of O.B.G. into her BOA 7657 account.

### **Warrant for Arrest In Rem**

26. Upon the filing of this complaint, the plaintiff requests that the Court issue an arrest warrant *in rem* pursuant to Supplemental Rule G(3)(b), which the plaintiff will execute upon the defendant property pursuant to 28 U.S.C. § 1355(d) and Supplemental Rule G(3)(c).

### **Claim for Relief**

27. The plaintiff repeats and incorporates by reference the paragraphs above.

28. Based on the foregoing and other acts, the defendant property consists of, or is traceable to, proceeds of specified unlawful activity, namely, wire fraud, committed in violation of Title 18, United States Code, Section 1343, and is therefore subject to forfeiture to the United States of America under Title 18, United States Code, Sections 981(a)(1)(C) and 984, with cross-references to Title 18, United States Code, Sections 1956(c)(7) and 1961(1).

WHEREFORE, the United States of America prays that a warrant of arrest for the defendant property, approximately \$515,330.76 in United States currency from Bank of America account ending in 7657, be issued; that due notice be given to all interested parties to appear and show cause why the forfeiture should not be decreed; that judgment declare the defendant property to be condemned and forfeited to the United States of America for disposition according to law; and that the United States of America be granted such other and further relief as this Court may deem just and equitable, together with the costs and disbursements of this action.

Dated at Milwaukee, Wisconsin, this 5<sup>th</sup> day of June, 2019.

Respectfully submitted,

MATTHEW D. KRUEGER  
United States Attorney

By:

s/SCOTT J. CAMPBELL  
SCOTT J. CAMPBELL  
Assistant United States Attorney  
Scott J. Campbell Bar Number: 1017721  
Attorney for Plaintiff  
Office of the United States Attorney  
Eastern District of Wisconsin  
517 East Wisconsin Avenue, Room 530  
Milwaukee, Wisconsin 53202  
Telephone: (414) 297-1700  
Fax: (414) 297-1738  
E-Mail: [scott.campbell@usdoj.gov](mailto:scott.campbell@usdoj.gov)

### Verification

I, Zachary Hoalcraft, hereby verify and declare under penalty of perjury that I am a Special Agent with the United States Secret Service in Milwaukee, Wisconsin, that I have read the foregoing Verified Complaint for Civil Forfeiture *in rem* and know the contents thereof, and that the factual matters contained in paragraphs 9 through 25 of the Verified Complaint are true to my own knowledge.

The sources of my knowledge are the official files and records of the United States, information supplied to me by other law enforcement officers, as well as my investigation of this case, together with others, as a Special Agent of the United States Secret Service.

I hereby verify and declare under penalty of perjury that the foregoing is true and correct.

Date: 06/05/2019

s/ZACHARY HOALCRAFT  
Zachary Hoalcraft  
Special Agent  
United States Secret Service

## CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

Place an "X" in the appropriate box: ☐ Green Bay Division ☒ Milwaukee Division

## I. (a) PLAINTIFFS

UNITED STATES OF AMERICA

(b) County of Residence of First Listed Plaintiff \_\_\_\_\_  
(EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number)

Scott J. Campbell, AUSA  
US Attorney's Office, #530 Federal Building  
517 E. Wisconsin Avenue, Milwaukee, WI 53202 (414-297-1700)

## DEFENDANTS

APPROXIMATELY \$515,330.76 IN UNITED STATES CURRENCY  
FROM BANK OF AMERICA ACCOUNT ENDING IN 7657

County of Residence of First Listed Defendant Bexar, Texas

(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF  
THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

## II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- ☒ 1 U.S. Government Plaintiff  
☐ 2 U.S. Government Defendant  
☐ 3 Federal Question (U.S. Government Not a Party)  
☐ 4 Diversity (Indicate Citizenship of Parties in Item III)

## III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

	PTF	DEF		PTF	DEF
Citizen of This State	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Incorporated or Principal Place of Business In This State	<input type="checkbox"/> 4	<input type="checkbox"/> 4
Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business In Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5
Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6

## IV. NATURE OF SUIT (Place an "X" in One Box Only)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	<b>PERSONAL INJURY</b> <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Med. Malpractice <b>PERSONAL INJURY</b> <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 367 Health Care/Pharmaceutical Personal Injury Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability <b>PERSONAL PROPERTY</b> <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input checked="" type="checkbox"/> 690 Other <b>LABOR</b> <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Empl. Ret. Inc. Security Act <b>IMMIGRATION</b> <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 463 Habeas Corpus - Alien Detainee (Prisoner Petition) <input type="checkbox"/> 465 Other Immigration Actions	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 <b>PROPERTY RIGHTS</b> <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark <b>SOCIAL SECURITY</b> <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIW W (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) <b>FEDERAL TAX SUITS</b> <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes
<b>REAL PROPERTY</b> <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	<b>CIVIL RIGHTS</b> <input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education <b>PRISONER PETITIONS</b> <input type="checkbox"/> 510 Motions to Vacate Sentence <b>Habeas Corpus:</b> <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement			

## V. ORIGIN

(Place an "X" in One Box Only)

- ☒ 1 Original Proceeding ☐ 2 Removed from State Court ☐ 3 Remanded from Appellate Court ☐ 4 Reinstated or Reopened ☐ 5 Transferred from another district (specify) ☐ 6 Multidistrict Litigation

## VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):  
18 USC §§ 981(a)(1)(C) and 984

Brief description of cause:

## VII. REQUESTED IN COMPLAINT:

☐ CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23 **DEMAND \$**

CHECK YES only if demanded in complaint:

**JURY DEMAND:** ☐ Yes ☒ No

## VIII. RELATED CASE(S) IF ANY

(See instructions):

JUDGE \_\_\_\_\_

DOCKET NUMBER \_\_\_\_\_

DATE

SIGNATURE OF ATTORNEY OF RECORD

06/05/2019

s/SCOTT J. CAMPBELL

FOR OFFICE USE ONLY

RECEIPT # \_\_\_\_\_

AMOUNT \_\_\_\_\_

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APPLYING \_\_\_\_\_

JUDGE \_\_\_\_\_

MAILED \_\_\_\_\_

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF WISCONSIN  
AT LAW AND IN ADMIRALTY

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UNITED STATES OF AMERICA,

Plaintiff,

v.

Case No.

APPROXIMATELY \$515,330.76 IN UNITED  
STATES CURRENCY FROM BANK OF  
AMERICA ACCOUNT ENDING IN 7657,

Defendant.

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**WARRANT FOR ARREST IN REM**

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To: THE UNITED STATES SECRET SERVICE  
Eastern District of Wisconsin

WHEREAS, a Verified Complaint for Civil Forfeiture *in rem* was filed on the 5<sup>th</sup> day of June, 2019, by the United States Attorney for the Eastern District of Wisconsin, which seeks the forfeiture of the above-named defendant property pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 984, and which prays that process issue to enforce the forfeiture and to give notice to all interested parties to appear before the court and show cause why the forfeiture should not be decreed; and due proceedings being had, that the defendant property be condemned and forfeited to the use of the United States of America.

YOU ARE THEREFORE HEREBY COMMANDED to attach and arrest the defendant property, approximately \$515,330.76 in United States currency from Bank of America account ending in 7657, which is presently in the custody of the United States Secret Service, and to detain the same until further order of this Court.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2019, at Milwaukee, Wisconsin.

STEPHEN C. DRIES  
Clerk of Court

By:

\_\_\_\_\_  
Deputy Clerk

**Return**

This warrant was received and executed with the arrest of the above-named defendant.

Date warrant received: \_\_\_\_\_

Date warrant executed: \_\_\_\_\_

Name and title of arresting officer: \_\_\_\_\_

Signature of arresting officer: \_\_\_\_\_

Date: \_\_\_\_\_